

SIDLEY & AUSTIN

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

CHICAGO
LOS ANGELES
NEW YORK
NOV 12 1993 5:00 PM
INTERSTATE COMMERCE COMMISSION

1722 EYE STREET, N W
WASHINGTON, D.C. 20006
TELEPHONE 202 736-8000
TELEX 89-463
FACSIMILE 202 736-8711

LONDON
SINGAPORE
TOKYO
NOV 12 1993 5:00 PM
INTERSTATE COMMERCE COMMISSION

125th
Anniversary
1866-1991

WRITER'S DIRECT NUMBER

November 12, 1993

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NOV 12 1993 5:00 PM
INTERSTATE COMMERCE COMMISSION

Office of the Secretary
Recordations Unit
Room 2303
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

Attention: Ms. Mildred Lee

Dear Ms. Lee:

Enclosed are three original counterparts of each of the documents described below, to be recorded pursuant to 49 U.S.C. § 11303.

The first document, Equipment Lease Agreement, dated as of November 12, 1993, is a primary document. The names and addresses of the parties to such document are as follows:

Southern Pacific Transportation Company
One Market Plaza, Room 666
San Francisco, CA 94105

AT&T Commercial Finance Corporation
44 Whippany Road
Morristown, NJ 07962-1983

The second document, Lease Supplement No. 1 dated November 12, 1993, is a secondary document. The names and addresses of the parties to such document are as follows:

Southern Pacific Transportation Company
One Market Plaza, Room 666
San Francisco, CA 94105

AT&T Commercial Finance Corporation
44 Whippany Road
Morristown, NJ 07962-1983

Counterparts - Sarah [signature]

November 12, 1993
Page 2

The third document, Lease Supplement No. 2 dated November 12, 1993, is a secondary document. The names and addresses of the parties to such document are as follows:

Southern Pacific Transportation Company
One Market Plaza, Room 666
San Francisco, CA 94105

AT&T Commercial Finance Corporation
44 Whippany Road
Morristown, NJ 07962-1983

The equipment affected by the documents consists of one hundred seventy-seven 100-ton, twin trough coil steel flat cars described in Lease Supplement No. 1 to the Equipment Lease and one hundred fifteen 100-ton quadruple hopper cars designed for rotary or bottom dump service specifically described in Lease Supplement No. 2 to the Equipment Lease Agreement.

A filing fee of \$54.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the undersigned.

A short summary of the documents to appear in the index follows:

Equipment Lease Agreement dated as of November 12, 1993, between AT&T Commercial Finance Corporation, as Lessor and Southern Pacific Transportation Company, as Lessee, covering hopper and steel coil cars identified by the Lessee in the Lease Supplements.

Lease Supplement No. 1 dated November 12, 1993 between AT&T Commercial Finance Corporation, as Lessor, and Southern Pacific Transportation Company, as Lessee, covering coil steel cars identified by the Lessee in Schedule A thereto.

Lease Supplement No. 2 dated November 12, 1993 between AT&T Commercial Finance Corporation, as Lessor, and Southern Pacific Transportation Company, as Lessee, covering hopper cars identified by the Lessee in Schedule A thereto.

Very truly yours,



G. Paul Moates

Enclosures

Interstate Commerce Commission

Washington, D.C. 20423

11/12/93

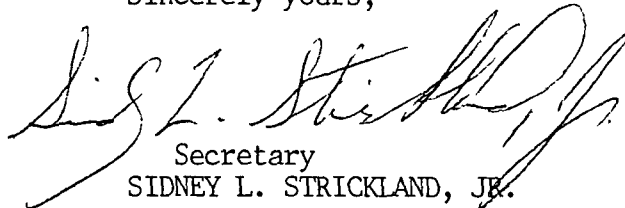
OFFICE OF THE SECRETARY

G. Paul Moates
Sidley & Austin
1722 Eye Street, NW
Washington, DC 20006

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **11/12/93** at **3:35PM**, and assigned recordation number(s). **18468-18468-A, 18468-B and 18468-C.**

Sincerely yours,



Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

8468
NOV 12 1993 3:34 PM

LEASE SUPPLEMENT NO. 1

INTERSTATE COMMERCE COMMISSION

LEASE SUPPLEMENT No. 1, dated November 12, 1993 (this "Lease Supplement"), between AT&T Commercial Finance Corporation, a Delaware corporation ("Lessor"), and Southern Pacific Transportation Company, a Delaware corporation ("Lessee").

Lessor and Lessee have heretofore entered into that certain Equipment Lease Agreement, dated as of November 12, 1993 (as amended and supplemented from time to time, the "Lease Agreement") relating to the lease of certain railcars by Lessor to Lessee. Capitalized terms used herein without definition shall have the respective meanings set forth in the Lease Agreement. The Lease Agreement provides for the execution and delivery from time to time of Lease Supplements for the purpose of leasing the Equipment under the Lease Agreement as and when delivered in accordance with the terms thereof.

1. This Lease Supplement relates to the Items of Equipment described below and the Lease Agreement is made a part hereof.

2. This Lease Supplement is being filed for recordation with the Interstate Commerce Commission.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Lessor hereby delivers and leases to Lessee under the Lease Agreement and hereunder and Lessee hereby accepts and leases from Lessor under the Lease Agreement and hereunder one hundred seventy-seven (177) 100-ton, twin trough coil steel flat cars manufactured by Thrall Car Manufacturing Company ("Seller") and identified on Schedule A hereto. Lessee acknowledges that Lessor has full right, title and interest of ownership in the Items of Equipment leased hereby, free and clear of any lien, claim, charge or other encumbrance created by Lessee or any Person claiming through Lessee other than the leasehold interest created in favor of Lessee pursuant to the Lease Agreement and hereunder.

2. The Commencement Date of the lease for the Items of Equipment leased hereby is the date of this Lease Supplement set forth in the opening paragraph hereof. The Initial Term for the Items of Equipment leased hereby shall commence on the Commencement Date and end on December 8, 2008.

3. Lessee shall pay to Lessor, in accordance with the terms of the Lease Agreement, as basic rent, Rental Payments

with respect to the Initial Term of the lease for the Items of Equipment leased hereby in an amount set forth in Schedule B hereto on the Payment Dates set forth on Schedule B hereto.

4. Lessor's aggregate purchase price for all Items of Equipment leased hereby is \$9,573,930.00 and Lessor's purchase price for each Item of Equipment ("Per Item Purchase Price") is \$54,090.00. Lessee hereby represents and warrants to the Lessor that the aggregate purchase price and Per Item Purchase price set forth above is the aggregate purchase price for the Items of Equipment and the purchase price for each Item of Equipment, respectively, payable by Lessee to Seller under the Purchase Documents. For purposes of the Lease Agreement and this Lease Supplement, the Stipulated Loss Value of each Item of Equipment shall be determined by multiplying the Stipulated Loss Value Percentage (as specified in Schedule C hereto) applicable to the applicable Succeeding Payment Date or Next Succeeding Payment Date, as defined in Section 13 of the Lease Agreement (in the event of a Loss), or in which payments upon an Event of Default are required by Lessor to be made (in the event of an Event of Default), by the Per Item Purchase Price.

5. Lessee hereby confirms to Lessor that Lessee has accepted the Items of Equipment leased hereby for all purposes hereof and of the Lease Agreement as being in good working order and repair and without defect or inherent vice in title, condition, design, operation or fitness for use; provided, however, that nothing contained herein or in the Lease Agreement shall in any way diminish or otherwise affect any right Lessee or Lessor may have with respect to the Equipment leased hereby against Seller or any subcontractor or supplier of Seller, under the Purchase Documents or otherwise.

6. In the event that the financing of the Items of Equipment hereunder and/or any other Lease Supplement and under the Lease Agreement is deemed by a court of competent jurisdiction to be a lease intended for security, to secure payment and performance of Lessee's obligations under the Lease Agreement and this Lease Supplement and all other Fundamental Agreements, Lessee grants Lessor and its assigns and their successors a first priority security interest in the Items of Equipment identified herein and in all attachments, accessories, additions, substitutions, products, replacements, rentals and proceeds (including insurance proceeds) therefrom (collectively, "Collateral"). Lessee shall execute and timely deliver to Lessor financing statements or any other documents Lessor deems necessary to perfect or protect Lessor's security interest in the Collateral. Lessor or Lessor's agent may file as a financing statement the Lease Agreement and/or this Lease

Supplement (or copy thereof, where permitted by law) as Lessor deems necessary to perfect or protect Lessor's security interest in the Collateral. If Lessee fails to execute any such document, Lessor or Lessor's agent is hereby authorized to file any of the foregoing signed only by Lessor or Lessor's agent.

7. All of the terms and provisions of the Lease Agreement are hereby incorporated by reference in this Lease Supplement to the same extent as if fully set forth herein.

8. This Lease Supplement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

9. This Lease Supplement shall be governed by the internal laws (as opposed to conflicts of laws provisions) laws of the State of New Jersey.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Supplement to be duly executed on the day and year first above written.

AT&T COMMERCIAL FINANCE CORPORATION

By: 

Name: Edward W. Andrews, Jr.
Title: Senior Vice President

SOUTHERN PACIFIC TRANSPORTATION COMPANY

By: _____

Name:
Title:

State of New Jersey)
County of Morris)

On this 12th day of November, 1993, before me personally appeared, Edward W. Andrews, Jr., to me personally known, who being by me duly sworn, says that (s)he is the Senior Vice President of AT&T COMMERCIAL FINANCE CORPORATION, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on November 9, 1993 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Mary Ann V. Gross
Notary Public

[Notarial Seal]

MARY ANN V. GROSS
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JULY 2, 1997

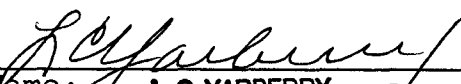
My commission expires _____

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Supplement to be duly executed on the day and year first above written.

AT&T COMMERCIAL FINANCE CORPORATION

By: _____
Name:
Title:

SOUTHERN PACIFIC TRANSPORTATION COMPANY

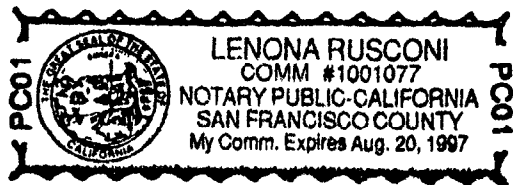
By:  _____
Name: **L.C. YARBERRY**
Title: **Vice President - Finance**

State of California)
)
County of San Francisco)

On November 12, 1993, before me, Lenona Rusconi, Notary Public, personally appeared L. C. Yarberry, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Lenona Rusconi



SCHEDULE A

Equipment description: 100-ton twin trough coil steel flat cars

Manufactured by: Thrall Car Manufacturing Company

Car Numbers

SP 500001
SP 500002
SP 500003
SP 500004
SP 500005
SP 500006
SP 500007
SP 500008
SP 500009
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SP 500176
SP 500177

SUPPLEMENT 001
Schedule B

<u>Rental</u> <u>Payment Date</u>	<u>Rental</u>
12/8/93	\$218,681
3/8/94	234,301
6/8/94	234,301
9/8/94	234,301
12/8/94	234,301
3/8/95	234,301
6/8/95	234,301
9/8/95	234,301
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3/8/04	234,301
6/8/04	234,301
9/8/04	234,301
12/8/04	234,301
3/8/05	234,301
6/8/05	234,301

Page 2
Supplement 001
Schedule B

<u>Rental</u> <u>Payment Date</u>	<u>Rental</u>
9/8/05	234,301
12/8/05	234,301
3/8/06	234,301
6/8/06	234,301
9/8/06	234,301
12/8/06	234,301
3/8/07	234,301
6/8/07	234,301
9/8/07	234,301
12/8/07	234,301
3/8/08	234,301
6/8/08	234,301
9/8/08	234,301
12/8/08	234,301

Schedule "C" to Lease Supplement No. 001

Lease Quarter with respect to which SLV is to be determined	Stipulated Loss Value Percentage	Lease Quarter with respect to which SLV is to be determined	Stipulated Loss Value Percentage
1	106.026997	31	88.687439
2	106.079595	32	87.595076
3	106.045883	33	86.470787
4	105.959963	34	85.322307
5	105.821537	35	84.163495
6	105.637972	36	82.976082
7	105.405411	37	81.751943
8	105.127659	38	80.502070
9	104.800240	39	79.234232
10	104.434861	40	77.941792
11	104.032433	41	76.628148
12	103.592380	42	75.288756
13	103.110339	43	73.939245
14	102.595175	44	72.567272
15	102.051170	45	71.172929
16	101.474167	46	69.751653
17	100.859402	47	68.319057
18	100.214638	48	66.862779
19	99.539815	49	65.382893
20	98.829221	50	63.874819
21	98.077195	51	62.354151
22	97.293107	52	60.808509
23	96.476959	53	59.237947
24	95.622943	54	57.637867
25	94.725366	55	56.023842
26	93.793546	56	54.383472
27	92.835769	57	52.716793
28	91.843369	58	51.019185
29	90.811821	59	49.306200
30	89.754244	60	47.556252